

AMENDED IN SENATE MARCH 20, 2006
AMENDED IN ASSEMBLY JANUARY 12, 2006
AMENDED IN ASSEMBLY JANUARY 4, 2006
AMENDED IN ASSEMBLY APRIL 26, 2005

CALIFORNIA LEGISLATURE—2005–06 REGULAR SESSION

ASSEMBLY BILL

No. 1482

Introduced by Assembly Member Canciamilla

February 22, 2005

An act to amend Section 15146 to the Education Code, relating to education finance.

LEGISLATIVE COUNSEL'S DIGEST

AB 1482, as amended, Canciamilla. School district bonds.

Existing law allows a school district governing board to sell bonds at a negotiated sale or by competitive bidding.

This bill would require a school district governing board, prior to selling bonds, to adopt a resolution, as an agenda item at a public meeting, that includes several specified items, including, among others, express approval of the method of sale. The bill would require, after the sale of the bonds, the governing board to *be presented with the actual cost information and to disclose that information at a its next scheduled public hearing the actual cost information for the sale meeting and to submit an itemized summary of the costs of the bond sale to the California Debt and Investment Advisory Commission.*

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Section 15146 of the Education Code is amended to read:

15146. (a) The bonds shall be issued and sold pursuant to Section 15140, payable out of the interest and sinking fund of the district. The governing board may sell the bonds at a negotiated sale or by competitive bidding.

(b) Prior to the sale, the governing board shall adopt a resolution, as an agenda item at a public meeting, that includes all of the following:

(1) Express approval of the method of sale.

(2) Statement of the reasons for the method of sale selected.

(3) ~~Disclosure of the identities of the financial adviser, identity of the bond counsel, and the identities of the bond underwriter and the financial adviser if either or both are utilized for the sale,~~ unless these individuals have not been selected at the time the resolution is adopted, in which case the governing board shall disclose their identities at the public meeting occurring after they have been selected.

(4) Estimates of the costs associated with the bond issuance.

(c) After the sale, the governing board shall ~~disclose~~ *do both of the following:*

(1) Be presented with the actual cost information and disclose the actual cost information for the sale at a its next scheduled public meeting.

(2) Submit an itemized summary of the costs of the bond sale to the California Debt and Investment Advisory Commission.

(d) The bonds may be sold at a discount not to exceed 5 percent and at an interest rate not to exceed the maximum rate permitted by law. If the sale is by competitive bid, the governing board shall comply with Sections 15147 and 15148. The bonds shall be sold by the governing board no later than the date designated by the governing board as the final date for the sale of the bonds.

(e) The proceeds of the sale of the bonds, exclusive of any premium received, shall be deposited in the county treasury to the credit of the building fund of the school district, or community college district as designated by the California Community Colleges Budget and Accounting Manual. The

1 proceeds deposited shall be drawn out as other school moneys
2 are drawn out. The bond proceeds withdrawn shall not be applied
3 to any other purposes than those for which the bonds were
4 issued. Any premium or accrued interest received from the sale
5 of the bonds shall be deposited in the interest and sinking fund of
6 the district.

7 (f) The governing board may cause to be deposited proceeds
8 of sale of any series of the bonds in an amount not exceeding 2
9 percent of the principal amount of the bonds in a costs of
10 issuance account, which may be created in the county treasury or
11 held by a fiscal agent appointed by the district for this purpose,
12 separate from the building fund and the interest and sinking fund
13 of the district. The proceeds deposited shall be drawn out on the
14 order of the governing board or an officer of the district duly
15 authorized by the governing board to make the order, only to pay
16 authorized costs of issuance of the bonds. Upon the order of the
17 governing board or duly authorized officer, the remaining
18 balance shall be transferred to the county treasury to the credit of
19 the building fund of the school district or community college
20 district. The deposit of bond proceeds pursuant to this
21 subdivision shall be a proper charge against the building fund of
22 the district.

23 (g) The governing board may cause to be deposited proceeds
24 of sale of any series of the bonds in the interest and sinking fund
25 of the district in the amount of the annual reserve permitted by
26 Section 15250 or in any lesser amount, as the governing board
27 shall determine from time to time. The deposit of bond proceeds
28 pursuant to this subdivision shall be a proper charge against the
29 building fund of the district.

30 (h) The governing board may cause to be deposited proceeds
31 of sale of any series of the bonds in the interest and sinking fund
32 of the district in the amount not exceeding the interest scheduled
33 to become due on that series of bonds for a period of two years
34 from the date of issuance of that series of bonds. The deposit of
35 bonds proceeds pursuant to this subdivision shall be a proper
36 charge against the building fund of the district.